

MAINE WORKERS' COMPENSATION BOARD COMPLIANCE AUDIT REPORT

September 11, 2000

Mead Publishing Paper Division
35 Hartford Street
Rumford, ME 04276

Claims Covered by Audit: 1999 Dates of Injury

Companies Covered by Audit:

Mead Oxford Corporation	Self-Insured/Self-Administered (S394)
Mead Publishing Paper	Self-Insured/Self-Administered (S765)

Examination by: Marlene Swift, Auditor

Reviewed and Approved by: Steven Minkowsky, D.D.B.A.

The results of the audit and the procedures followed have been explained to:

Name:	Title:	Date:
Georgette Hodgson	Claims Examiner	8-1-00
Bonita DuPerry	Claims Examiner	8-1-00

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SUMMARY

The Audit Division of the Maine Workers' Compensation Board examined a sample of 25 claim files for the period under examination (1999) to determine compliance with statutory and regulatory requirements in the following areas:

- Form filing
- Timeliness of indemnity payments
- Accuracy of indemnity payments

Of the 25 claim files audited, there were 6 "lost time" claims and 19 "medical only" claims.

Our audit revealed:

Mead Publishing Paper Division is self-insured and its workers' compensation coverage is self-administered.

They provide 24-hour medical care on site for their employees' occupational and non-occupational injuries and illnesses. They also have an on-site physical therapy program. Both the 24-hour medical care and physical therapy programs are optional, but it appears that Mead's employees usually opt to use these programs. These programs ensure prompt medical care and good communication (regarding work restrictions, limitations, etc.) between the parties as the employees recover.

Time used for injury-related medical appointments (both in-house and outside Mead) during working hours is compensated as regular hours worked. It is not considered "lost time" for reporting purposes under §205(7) and/or §303.

- Form filing compliance was found to be 100%.
- All initial indemnity payments were timely. When an employee loses a day or more from work Mead waives the 7-day waiting period, issues a Workers' Compensation payment, and files a Memorandum of Payment.

Workers' Compensation payments are routinely made on Monday, but for weeks where a holiday falls on Monday, the payments are sent out on the preceding Thursday. Those early payments make the next week's payments look late (more than 7 days after the last payment), but they are not.

- No errors were identified in the methods used to determine average weekly wages.
- No errors were identified in the methods used to calculate benefits.

INDEMNITY BENEFITS

A. Prompt Initial Payment of Benefits

			1999	
			Number	Percent
Check Mailed Within:				
0-14	Days	Compliant	5	100%
Total Due			5	100%

B. Prompt Subsequent Payment of Benefits

			1999	
			Number	Percent
Check Mailed Within:				
0-7	Days	Compliant	64	82%
8-14			14	18%
Total Due			78	100%

C. Accuracy of Average Weekly Wage

			1999	
			Number	Percent
Calculated:				
Correct		Compliant	5	100%
Total			5	100%

D. Accuracy of Weekly Benefit Rate

			1999	
			Number	Percent
Calculated:				
Correct		Compliant	5	100%
Total			5	100%

FORM FILING

A. First Report (WCB-1)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	9	100%
Total		9	100%

B. Wage Statement (WCB-2)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	5	100%
Total		5	100%

C. Schedule of Dependent(s) and Filing Status Statement (WCB-2A)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	5	100%
Total		5	100%

D. Memorandum of Payment (WCB-3)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	5	100%
Total		5	100%

FORM FILING (Continued)

E. Discontinuance or Modification (WCB-4)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	4	100%
Total		4	100%

F. Notice of Controversy (WCB-9)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	1	100%
Total		1	100%
Medical Only NOC		3	

G. Statement of Compensation Paid (WCB-11)

		1999	
		Number	Percent
Received at the Board:			
Filed	Compliant	5	100%
Total		5	100%